

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

Kittery Point Partners, LLC,

Debtor

Chapter 11

Case No. 17-20316

ORDER SUSPENDING PROCEEDINGS

For the reasons set forth on the record of the hearing held on November 1, 2018, all further proceedings in this chapter 11 case and in the related adversary proceeding (Adv. No. 17-2065) are hereby suspended under 11 U.S.C. § 305(a)(1) pending further order of this Court. This suspension of proceedings is intended to facilitate resolution of the civil action titled Kittery Point Partners, LLC v. Bayview Loan Servicing, LLC (CV-11-0177) pending in the Maine Superior Court (the “State Court Action”). Entry of a final judgment by the Maine Superior Court as to all claims raised in the State Court Action would assist this Court in the administration of this chapter 11 case. After the entry of a final judgment, this Court will look to Maine law to determine the preclusive effect of that judgment, *see McGarry v. Chew (In re Chew)*, 496 F.3d 11, 17 n.10 (1st Cir. 2007), adjudicate the amount of Bayview’s claim against the debtor, if any, as of the date of the debtor’s chapter 11 petition, and decide whether the debtor’s proposed treatment of that claim in a chapter 11 plan satisfies the requirements of 11 U.S.C. § 1129. In the interests of efficiency and judicial economy, the entry of a final judgment by the Maine Superior Court should precede each of these determinations.

The debtor is ordered to deliver a copy of this order to the Maine Superior Court in connection with the state court action on or before November 6, 2018. While the suspension remains in effect, the debtor and Bayview are ordered to file periodic status reports with this

Court as to the progress of the State Court Action, with the first report due on or before January 31, 2019, and each subsequent report being due at three-month intervals. If the parties are unable to agree on a joint report, they may file separate reports. The periodic status reports must not exceed three pages in length, exclusive of any attachments.

Notwithstanding the suspension of proceedings, the Court will rule on the Debtor's Application for Fourth Interim Award of Professional Fees to Marcus Clegg [Dkt. No. 175] in the ordinary course.

Dated: November 2, 2018



Michael A. Fagone
United States Bankruptcy Judge
District of Maine